

Message Text

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ACTION NEA-11

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
COME-00 EB-08 LAB-04 SIL-01 /078 W
-----069179 111104Z /10

R 110900Z MAY 78
FM AMEMBASSY DACCA
TO SECSTATE WASHDC 9255
INFO AMEMBASSY COLOMBO
AMEMBASSY ISLAMABAD
AMEMBASSY KATHMANDU
AMEMBASSY NEW DELHI
AMCONSUL CALCUTTA
CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 DACCA 2979

CINCPAC FOR POLAD

E.O. 11652: GDS
TAGS: PINT, PGOV, ELAB, BG
SUBJ: PRESIDENTIAL ELECTION: THE LABOR SITUATION AND ITS
IMPLICATIONS

REF: A. DACCA 2922; B. DACCA 2798

SUMMARY. CURRENT BANGLADESH LABOR TROUBLES HAVE BEEN PRINCIPALLY
CONFINED SO FAR TO THE PUBLIC SECTOR, BUT PRIVATE SECTOR
WORKERS IN JUTE AND TEXTILES, THE LARGEST INDUSTRIES, MAY
JOINT THE AGITATION IF THEIR PAY SCALE ANNOUNCEMENTS
EXPECTED WITHIN A MONTH OR SO SEEM INADEQUATE. THE PUBLIC
SECTOR ISSUES ARE BOTH THE INSUFFICIENT ABSOLUTE LEVEL OF
WAGES AND THE NEW, UNSATISFACTORY RELATIVE WAGE SCALES
AMONG JEALOUS AND COMPETING GOVERNMENT BUREAUCRATS. THE
BDG HAS ISSUED TWO WAGE SCALE REVISIONS IN THE PAST MONTH,
BUT AGITATION CONTINUES AMONG LOWER LEVEL WORKERS AND
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IS THREATENED BY MIDDLE LEVEL WORKERS. PRESIDENT ZIA
HAS BEEN RELUCTANT TO USE FORCE AGAINST THE STRIKERS FOR
FEAR OF EXACERBATING THE CONTROVERSY AND MAKING IT AN
ISSUE IN THE JUNE 3 PRESIDENTIAL ELECTION. ZIA WILL BE
SOON FORCED TO ACT FIRMLY, HOWEVER, TO BOTH RETAIN HIS
REPUTATION AS THE MAN IN CHARGE AND TO ENSURE THAT PRE-
PARATIONS FOR ELECTIONS, DEPENDENT ON THE COOPERATION OF

THOUSANDS OF BUREAUCRATS, CONTINUE ON SCHEDULE. IF THE DISSATISFACTION MOUNTS, ZIA COULD BE FACED WITH REAL TROUBLE, PERHAPS EVEN FROM ARMY ENLISTED MEN SYMPATHETIC TO THE WORKERS' DEMANDS AND FROM OFFICERS WILLING TO EXPLOIT THE ISSUE. END SUMMARY.

1. SCOPE OF THE LABOR TROUBLE. THE LABOR AGITATION HAS SO FAR BEEN LIMITED PRIMARILY TO THE EMPLOYEES IN THE PUBLIC SECTOR (DEFINED TO INCLUDE GOVERNMENT CONTROLLED GROUPS SUCH AS MANY NEWSPAPERS). AS REPORTED EARLIER, THE LOWER LEVEL GOVERNMENT EMPLOYEES, ESSENTIALLY CONFINED TO DACCA, HAVE HELD A ONE-DAY STRIKE AND ALTHOUGH REPORTEDLY AGREEING TO GO BACK TO WORK MAY 10 (REF A), THERE MAY STILL BE TROUBLE. OTHER PUBLIC EMPLOYEES SUCH AS ENGINEERS, DOCTORS AND BANK CLERKS, HAVE ALSO BEEN ON STRIKE RECENTLY. WE UNDERSTAND THAT THERE IS CONSIDERABLE UNREST AMONG MORE JUNIOR "GAZETTED" GOVERNMENT OFFICERS, WHO HAVE AT LEAST DISCUSSED THE POSSIBILITY OF ALSO GOING ON STRIKE. SO FAR THERE HAS BEEN NO REPORTED AGITATION AMONG THE POLICE OR THE ENLISTED MEN IN THE ARMY OR AMONG THE ANSARS (ROUGHLY EQUIVALENT TO THE NATIONAL GUARD), ALL OF WHOM MIGHT BE CALLED UPON TO FACE THE STRIKERS IF THE BDG DECIDED TO ENFORCE SEVERELY THE MARTIAL LAW REGULATIONS FORBIDDING STRIKES. PAY WAS ONE ISSUE IN THE ENLISTED MEN'S STINY LAST FALL. WITH THE EXCEPTION OF SOME NEWSPAPER EMPLOYEES, THE WORKERS OF THE PRIVATE SECTOR

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SEEM DISINCLINED TO SUPPORT THE PUBLIC SECTOR WORKERS, PRIMARRILY AS A WAGES AND PRODUCTIVITY COMMISSION, WITH WORKER REPRESENTATIVES (REF B), IS EXPECTED TO ANNOUNCE GENEROUS NEW PAY SCALES IN THE NEXT MONTH. IF THE NEW SCALES ARE NOT AS HIGH AS ANTICIPATED, HOWEVER, THERE COULD BE TROUBLE, ESPECIALLY IN THE LARGE JUTE AND TEXTILE INDUSTRIES WHERE WAGES HAVE TRADITIONALLY BEEN LOW.

2. ISSUES. THERE ARE TWO INTERRELATED GRIEVANCES. ONE IS THE WIDESPREAD FEELING THAT PUBLIC SECTOR WAGES HAVE NOT KEPT UP WITH BAZAAAR PRICES AND THAT THE GOVERNMENT WAS UNNECESSARILY STINGY IN THE PAY AND SERVICES COMMISSION REPORT ANNOUNCED LAST DECEMBER. OF EQUAL IMPORTANCE IS THE FRUSTRATION AND ANGER OF THOSE EMPLOYEES WHOSE NEW WAGES GAVE THEM A LOWER RELATIVE STANDING IN THIS STATUS-CONSCIOUS SOCIETY. EDUCATED CLERKS WERE ANGE
D TO FIND
THEIR SALARIES ON A PAR WITH ILLITERATE DRIVERS, AND MORE SOPHISTICATED STATISTICIANS AND ECONOMISTS (PARTICULARLY AT THE PLANNING COMMISSION) WERE CHAGRINED THAT THEIR PAY SCALES WERE BELOW THOSE ON THE MANAGEMENT LEVEL.

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MANY OF THESE GRIEVANCES HAVE PLAGUED PREVIOUS BANGLADESH
AND PAKISTAN GOVERNMENTS, BUT THE RECENT PAY AND SERVICES
COMMISSION REPORT STIRRED THE CAULDRON ANEW AND IN MANY
CASES, ESPECIALLY CONCERNING THE TECHNICAL LEVELS,
EXACERBATED RATHER THAN DIMINISHED OLD CONTROVERSIES.

3. BDG RESPONSE. SLOWLY IN RESPONSE TO THE AGITATION,
FIRST IN THE FORM OF PEN DOWN STRIKES AND LATER AS CALLS FOR
LONGER STRIKES, THE BDG MADE SEVERAL ATTEMPTS TO ALLEVIATE
THE LABOR TROUBLE. ON APRIL 22ND, A REVISED PAY SCALE
FOR THE UPPER LEVELS OF GOVERNMENT WORKERS RAISED WAGES
AND TRIED TO ERASE SOME OF THE RANCOR OF THE RELATIVE
PRESTIGE ISSUE WITH BONUSES TO THE AFFECTED PROTESTING
WORKERS. LATER ON MAY 9, INCREASES OF 10 TO 15 PER CENT
WERE ANNOUNCED FOR LOWER LEVEL EMPLOYEES. NEITHER
ANNOUNCEMENT HAS SATISFIED THE GOVERNMENT WORKERS, WHO
ARE BEGINNING TO THINK THAT NOTHING SHORT OF SCRAPPING
THE DECEMBER PAY AND SERVICES COMMISSION REPORT WILL
BE SUFFICIENT.

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THROUGHOUT THE AGITATION, THE GOVERNMENT (THAT IS, PRESIDENT ZIA) PATIENTLY -- AT LEAST TO THE OBSERVER'S EYE -- REVIEWED THE SITUATION AND REFRAINED FROM USING FORCE TO STOP THE VARIOUS STRIKES. WE UNDERSTAND THAT THE POLICE HAVE BEEN GIVEN ORDERS NOT TO INFLAME TEMPERS BY SWINGING LATHIS AND MAKING DRAMATIC ARRESTS. NO DOUBT ZIA WISHES TO AVOID A CONFRONTATION, ESPECIALLY AS THE AGITATION HAS NOT BEEN AGAINST HIM PERSONALLY.

5. EFFECT ON THE ELECTION. WITH THE JUNE 3 PRESIDENTIAL ELECTION LOOMING IN THE NEAR FUTURE, TIME IS RUNNING SHORT FOR ZIA'S POLICY OF RESTRAINT. HE CANNOT AFFORD PUBLIC SECTOR STRIKES WHICH IN EFFECT ARE DIRECT CHALLENGES TO HIS AUTHORITY. AFTER THE LOWER LEVEL EMPLOYEES' ONE-DAY STRIKE, THE BDG WARNED THAT STERN MEASURES, INCLUDING DISMISSAL, WOULD BE TAKEN AGAINST RECALCITRANT WORKERS. ZIA HAS THE ADDITIONAL CONCERN THAT WITHOUT PROPER ASSISTANCE FROM HIS BUREAUCRACY, VOTER LISTS AND OTHER PREPARATIONS FOR THE POLLS CANNOT BE COMPLETED PROPERLY. MOREOVER, SHOULD THE AGITATION BECOME DIRECTED AT ZIA PERSONALLY, TAMPERING WITH THE BALLOT BOXES BY DISAFFDNTED EMPLOYEES COULD WORK AGAINST HIM. THE LATTER IS ONLY A DISTANT WORRY NOW, BUT TO KEEP HIS CREDIBILITY AND AUTHORITY INTACT, ZIA NEEDS TO HAVE ELECTIONS BOTH ON SCHEDULE AND HELD FAIRLY.

6. NONE OF THE OPPOSITION PRESIDENTIAL CANDIDATES HAS PUBLICLY TAKEN UP THE ISSUE. THE PRINCIPAL OPPONENT, GENERAL OSMANI, IS NO DOUBT AWARE THAT THE ISSUES, PARTICULARLY THE ONE OF RELATIVE WAGES, ARE INTRACTABLE AND THAT THE AWAMI LEAGUE HANDLED SIMILAR WAGE PROBLEMS UNSATISFACTORILY IN MUJIB'S TIME. HOWEVER, AS THE

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ELECTION HEATS UP, AND ESPECIALLY IF OSMANI DOES ASHIGORLY AS MANY EXPECT, THERE SEEMS NO REASON WHY HE AND THE AWAMI LEAGUE WOULD NOT SEIZE EVERY ISSUE POSSIBLE.

7. CONCLUSION: PRESIDENT ZIA WILL INCREASINGLY FEEL THAT FIRM ACTION IS REQUIRED IF STRIKES CONTINUE TO SPREAD. EVEN IF THE POLICE REMAIN TOTALLY LOYAL, ZIA MAY HAVE A DIFPNXULT TIME ENFORCING BACK-TO-WORK ORDERS, AND VIOLENCE COULD TURN THE AGITATION INTO AN ANTI-ZIA MOVEMENT EASILY USED BY HIS OPPONENTS IN THE PRESIDENTIAL ELECTION. ALTOGETHER, IT IS AN UNHAPPY TURN OF EVENTS FROM ZIA'S POINT OF VIEW, AS RESTLESSNESS AND DISSATISFACTION ARE NEVER FAR BELOW THE SURFACE IN BANGLADESH, AND WHEN GENERAL DISSATISFACTION MOUNTS, OPPONENTS HAVE TRADITIONALLY

COME OUT OF THE WOODWORK TO EXPLOIT THE TENSION.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: UNION GOVERNMENT RELATIONS, PRESIDENTIAL ELECTIONS, ELECTION CANDIDATES
Control Number: n/a
Copy: SINGLE
Draft Date: 11 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978DACCA02979
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780200-0068
Format: TEL
From: DACCA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780570/aaaachqb.tel
Line Count: 226
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b82e8ea0-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 DACCA 2922, 78 DACCA 2798
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2726662
Secure: OPEN
Status: NATIVE
Subject: PRESIDENTIAL ELECTION: THE LABOR SITUATION AND ITS IMPLICATIONS
TAGS: PINT, PGOV, ELAB, BG
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/b82e8ea0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014